



# PRESS RELEASE

## Internal Revenue Service - Criminal Investigation *Chief Richard Weber*

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IRS – Criminal Investigation

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### **Oregon Woman Pleads Guilty to a Tax Fraud Conspiracy** *Claimed Refunds in Excess of \$1 Million*

A resident of Portland, Oregon pleaded guilty today to conspiring to file fraudulent income tax returns with the Internal Revenue Service (IRS) claiming refunds in excess of \$1 million, theft of government funds and filing a false claim for refund, announced Principal Deputy Assistant Attorney General Caroline D. Ciraolo, head of the Justice Department's Tax Division.

According to the plea agreement, Lori Nicholson, 53, admitted that she conspired with other individuals to prepare and file more than 227 fraudulent income tax returns during 2010. The false information on the tax returns included fictitious wage and withholding information, and fraudulent refundable credits. Nicholson also admitted that she assisted her co-defendants to prepare and file false income tax returns, including her daughter, Jasmine Mason, Brandon Leath and Shawntina Ware. Nicholson further admitted that she shared identities and refunds with her co-defendants.

Sentencing is scheduled for Feb. 22, 2017. Nicholson faces a statutory maximum sentence of 10 years in prison for the conspiracy and theft of government funds counts, five years in prison for the false claims count, and a period of supervised release and monetary penalties. In addition, she agreed to pay \$429,269 in restitution to the IRS. Co-defendants Mason, Leath, Ware and White pleaded guilty to similar charges. U.S. District Judge Robert E. Jones sentenced White, Mason, and Leath to 37, 32, and 24 months in prison, respectively. Ware is scheduled to be sentenced in February 2017.

Principal Deputy Assistant Attorney General Ciraolo commended special agents of IRS-Criminal Investigation, who conducted the investigation, and Trial Attorneys Lori A. Hendrickson and Ryan R. Raybould of the Tax Division, who are prosecuting the case. Principal Deputy Assistant Attorney General Ciraolo also thanked the U.S. Attorney's Office for the District of Oregon for their substantial assistance.

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